

**BUSINESS IMPROVEMENT DISTRICT ADVISORY COMMITTEE (BIDAC)
OF MONTEREY PARK**

AGENDA

Special Meeting

**Conference Room 251
City of Monterey Park, 320 W. Newmark Avenue, Monterey Park, CA 91754**

**WEDNESDAY, AUGUST 15, 2018
4:00 P.M.**

MISSION STATEMENT

**The mission of the City of Monterey Park is to provide excellent services
to enhance the quality of life for our entire community.**

Documents related to an Agenda item are available to the public in the **ECONOMIC DEVELOPMENT DIVISION** located at 320 West Newmark Avenue, Monterey Park, CA 91754, during normal business hours and the City's website at www.montereypark.ca.gov.

PUBLIC COMMENTS ON AGENDA ITEMS

You may speak up to 5 minutes on Agenda item. You may combine up to 2 minutes of time with another person's speaking. No person may speak more than a total of 10 minutes. The Commission Chair and Commissioners may change the amount of time allowed for speakers.

Per the Americans with Disabilities Act, if you need special assistance to participate in this meeting please call City Hall at (626) 307-1359 for reasonable accommodation at least 24 hours before a meeting. Council Chambers are wheelchair accessible.

CALL TO ORDER

ROLL CALL

AGENDA ADDITIONS, DELETIONS, CHANGES AND ADOPTIONS

PUBLIC COMMUNICATIONS (Related to Items NOT on the Agenda). While all comments are welcome, the Brown Act does not allow the Commission to take action on any item not on the agenda. The Commission may briefly respond to comments after Public Communications is closed. Persons may, in addition to any other matter within the Commission's subject-matter jurisdiction, comment on Agenda Items at this time. If you provide public comment on a specific Agenda item at this time, however, you cannot later provide comments at the time the Agenda Item is considered.

ORAL AND WRITTEN COMMUNICATIONS

[1.] PRESENTATIONS - None.

[2.] CITY OF MONTEREY PARK- CONSENT CALENDAR - None.

[3.] APPROVAL OF MINUTES - None

[4] OLD BUSINESS - None

[5.] NEW BUSINESS

5-A. Consideration of a BID Fee Increase to Business Improvement District No. 1 (BID) Fees to a Level to Maintain Current Program Costs.

The Business Improvement District funds pays for the enhanced janitorial services for the BID area. The rates continue to rise due to the mandated minimum wage increases. In addition, the BID funds pay for holiday decorations in the downtown which were damaged and require replacement. These are large expenses which will take the reserve balance to a point where the BID will not have sufficient funds to cover the cost of janitorial services by end of next year.

It is recommended that the BIDAC:

- (1) Consider a significant increase in BID fees to ; and
- (2) Take such additional, related, action that may be desirable.

[6.] COMMISSION COMMUNICATIONS

ADJOURN



BIDAC Staff Report

DATE: August 15, 2018

AGENDA ITEM NO: 5 - A

TO: Business Improvement District Advisory Committee (BIDAC)
FROM: Donna Ramirez, Economic Development Specialist
SUBJECT: Consideration of a BID Fee Increase to Business Improvement District No. 1 (BID) Fees to a Level to Maintain Current Program Costs.

RECOMMENDATION:

It is recommended that the BIDAC:

1. Consider the a major increase in assessment fees for businesses within the BID;
2. Direct staff to take the BIDAC recommendation to the City Council; and
3. Take such additional, related, action that may be desirable.

EXECUTIVE SUMMARY:

The BID was established in 1986 with the intent of raising funds to support the purchase and installation of holiday decorations within the downtown. Since that time, the BIDAC has added to their activities, janitorial services. This was a major increase in expenditures but was manageable in the early years. The annual expenses are now to the point where the BID is exhausting their reserves and will not have enough funds to purchase new decorations, conduct programs, or continue janitorial service.

The BIDAC proposes increasing the fees to a level that will cover these items and allow enough funding to rebuild their reserves and enable them to create other programs to benefit members.

BACKGROUND:

The BID reserves are currently \$157,500. The current annual assessment revenue is approximately \$57,500. The cost of holiday decoration, including installation, removal and storage, is approximately \$30,000 for Garvey Avenue only. The cost of janitorial is approximately \$73,000 and will increase to \$94,800 in four years. The annual operational cost is approximately an additional \$5,000; leaving approximately \$54,000 in the reserve account. Also, at the request of the BIDAC and direction of the City Council, a balance of \$50,000 is to remain in reserves.

The BID is due a 5% increase for 2019, which will bring an additional \$2,875 a year. Estimated revenues for 2019 is \$60,375. Janitorial cost will be approximately \$82,600 in 2020. By the conclusion of 2019, there will not be enough BID funds to support continuing janitorial services or the installation of the decorations, nor other BID expenses.

RECOMMENDATION:

Increase the BID annual fees to cover cost expenditures necessary to keep the BID area clean and inviting for visitors, businesses, and residents, and rebuild the BID reserves.

Respectfully submitted by:



Michael Huntley
Director of Community &
Economic Development

Prepared by:



Donna M. Ramirez
Economic Development
Specialist